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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/060,996	01/30/2002	Bryan E. Aupperle	RSW920010202US1	6642
46320	7590	08/07/2006	EXAMINER	
CAREY, RODRIGUEZ, GREENBERG & PAUL, LLP STEVEN M. GREENBERG 1300 CORPORATE CENTER WAY SUITE 105G WELLINGTON, FL 33414			GARG, YOGESH C	
			ART UNIT	PAPER NUMBER
			3625	

DATE MAILED: 08/07/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

10/060,996

Applicant(s)

AUPPERLE ET AL.

Examiner

Yogesh C. Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 21 June 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 4,7,8 and 11 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 4,7-8 & 11 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Response to Amendment***

1. Applicant's request, received on 6/21/2006, for reconsideration of the finality of the rejection of the last Office action is persuasive and, therefore, the finality of that action is withdrawn. Claims 4,7-8 and 11 are pending for examination.

### ***Response to Arguments***

2.1. Applicant's arguments with respect to claims 4 and 8 have been considered but are moot in view of the new ground(s) of rejection.

This is a Non-final rejection.

3 NOTE: Examiner cites particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

### ***Claim Rejections - 35 USC § 103***

4. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

4.1. Claims 4, and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Conklin in view of Horn in view of Lee (US Publication 2005/0187866).

Regarding claim 4, Conklin discloses that "Prior Art" existed at the time of the applicant's invention teaching a method of cooperatively processing e-business transactions in an e-business complex comprising the steps of: registering a plurality of virtual store operators with the e-business complex, each said registration establishing a virtual store in the e-business complex; providing to individual ones of on-line shoppers in the e-business complex, window displays of products offered for sale by virtual stores in the e-business complex, and accepting shopper orders for said products from said individual on-line shoppers; (see at least Fig.2 (b), col.2, line 62-col.3, line 13 which disclose a virtual mall "24" website including a plurality of virtual store operators "28" registered to sell products to on-line shoppers in an e-business complex by displaying the products offered on the on-line shoppers computer monitors

" 08 a, o8 b..." via world wide web which uses Microsoft Windows software. The individual on-line shoppers using their computer terminals and Microsoft windows can display the products being sold by virtual stores, browse the products, select them via a shopping cart. The payment is collected by credit cards for the stores after accepting orders from the on-line shoppers. See also col.10, lines 1-67, col.11, line 60-col.12, line 1 which teaches that an administrator coordinates the placement of orders and collection pf payment. Conklin's invention discloses improvements over this cited prior art by additionally providing a multivariate negotiations engine allowing the buyers and store to negotiate prices, provide handling of payments, international transactions and establishing community Websites, which resemble a Virtual Mall website, as cited above including/integrate a number of seller websites via the community website (see at least col.14, line 1-col.15, line 8 and col.18, line 38-col.19, line 27). Conklin further teaches notifying selected store operators of said shopper orders, said selected store operators operating virtual stores in the e-business complex which correspond to said products ordered by said on-line shoppers (see at least col.19, lines 28-37 and col.25, lines 52-66 which teach notifying the seller, that is the store operator as claimed in the application, of the purchaser's interest in ordering an item);

Conklin does not teach notifying selected vendors of said shopper orders, said selected vendors supplying said products offered for sale by said selected store operators; fulfilling said shopper orders with said products supplied by said selected vendors; and collecting payments for said shopper orders from said on-line shoppers and distributing portions of said payments to each of said vendors and said store

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operators. Note: The concept of the applicant's invention, as best understood by the examiner, is that the store operators representing virtual store websites hosted on the virtual Mall web site are acting as selling agents to vendors/manufacturers who are the actual shippers of goods and therefore portions of payments collected from the on-line shoppers are distributed to both the virtual store operator and the vendor who ships the goods. In the same field of endeavor, that is conducting global commerce via referral Websites Horn teaches notifying selected vendors of said shopper orders, said selected vendors supplying said products offered for sale by said selected store operators; fulfilling said shopper orders with said products supplied by said selected vendors; and collecting payments for said shopper orders from said on-line shoppers and distributing portions of said payments to each of said vendors and said store operators (see at least paragraphs 0321 and 0686 which disclose that from the payments received the purchase of the items portions of said payments are distributed to the Referral Websites, which correspond to the virtual stores in the claimed application, and to the manufacturer, which correspond to the vendors, as claimed in the application, and page 39, claim 1, lines 24-36, "*collecting payment for said at least one product from said Buyer at a Website which is e-commerce enabled for processing purchase transactions, and notifying the manufacturer of said at least one product that a purchase has been made and a at least one product needs to be shipped to said Buyer, the shipment to be made by a shipper for tangible products and by making the products downloadable by the Buyer for downloadable digital products, said digital*

*products being in the group of digital products comprising text files, video files, and audio files. whereby, manufacturers around the world may deliver products “).*

In view of explicit teachings of Horn, it would be obvious to one of an ordinary skill in the art at the time of the applicant's invention to have modified Conklin to incorporate the teaching of notifying selected vendors of said shopper orders, said selected vendors supplying said products offered for sale by said selected store operators; fulfilling said shopper orders with said products supplied by said selected vendors; and collecting payments for said shopper orders from said on-line shoppers and distributing portions of said payments to each of said vendors and said store operators because it would enable manufacturers/vendors to increase revenues and profits by being presented more opportunities to sell their products via Referrals from the Referral Web sites all over the world, wherein as mentioned above, referral web sites correspond to the store operators as participants in a virtual Mall or a Global store in Horn.

Conklin teaches that the participants in a community, comprises a host community Web site, that is a Virtual Mall web site including a plurality of seller web sites, that is virtual store operators selling products to customers and these store operators act as referral web sites or agents selling products of vendors/ manufacturers, as analyzed above and earning fees or commissions from the purchase revenues. Conklin also teaches that the participants in a community that is sellers could also be buyers (see at least col.17, lines 19-21, “... In some cases both..”, that is a seller or a referral website can be both a seller and buyer) and therefore one of the store operator

could participate as a buyer buying products/services ending into a transaction like any other product as shown in Conklin (see at least col.10, lines 1-7).

Conklin in view of Horn as applied to claim 4 does not teach providing to said store operators a catalog of services offered for sale by associated services providers and, brokering at least one transaction for at least one of said services between at least one of said store operators and at least one of said service providers. Lee, in the field of same endeavor discloses a web-based system and method for issuers [corporations, government agencies, etc], financial intermediaries [banks, savings and loan institutions, etc.], and end investors [ holders of securities] for selling financial products/securities (see at least paragraphs 0002-0004). Lee also discloses using this web based system and method to provide to said store operators [ corresponds to issuers and intermediaries in Lee] a catalog of services offered for sale by associated services providers and, brokering at least one transaction for at least one of said services between at least one of said store operators and at least one of said service providers (see at least paragraph 0004, lines 9-13. Presenting or offering of services of lawyers, accountants, auditors, and of other professionals to the issuers and financial intermediaries corresponds to providing a catalog of services offered for sale by associated services providers [ corresponds to lawyers, accountants, auditors, and of other professionals] and, brokering at least one transaction for at least one of said services between at least one of said store operators and at least one of said service providers. See also Abstract, paragraphs 0008,0012-0014,0055,0075-0076, 0086,0187, 0246 ). In view of Lee, it would be obvious to one of an ordinary skill in the



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art at the time of the applicant's invention to have modified Conklin in view of Horn to incorporate the feature of brokering professional services , such as legal, auditing, translation and tax and accounting services to the store operators of the virtual mall because, as disclosed in Lee, it will advantageously and efficiently facilitate Conklin's system and method in implementing of transactions both domestic and international which require legal and tax counsel/guidance in following the international procedures/rules/regulations and also in translating documents from one language to another language.

Regarding claim 7, Lee teaches brokering tax and accounting services between a tax and accounting business partner and individual ones of said store operators and forwarding tax documents and accounting statements produced by said business partner to said individual ones of said store operators (see at least paragraph 0004, lines 9-13. Presenting or offering of services of lawyers, accountants, auditors, and of other professionals to the issuers and financial intermediaries includes or suggests brokering tax and accounting services between a tax and accounting business partner [ corresponds to the intermediaries and professionals related to legal/auditing/ accounting services] and individual ones of said store operators [corresponds to the issuers and financial intermediaries in Lee] and forwarding tax documents and accounting statements produced by said business partner to said individual ones of said store operators [ it would be obvious to one of an ordinary skilled in the art that while providing legal/accounting/auditing services to the issuers the service providers,

that is lawyers/accountants/auditors would exchange related documents including tax documents with the store providers. In view of Lee, it would be obvious to one of an ordinary skill in the art at the time of the applicant's invention to have modified Conklin/Horn/Lee as applied to claim 4 to incorporate the feature of brokering tax and accounting services between a tax and accounting business partner and individual ones of said store operators and forwarding tax documents and accounting statements produced by said business partner to said individual ones of said store operators because, as disclosed in Lee, it will advantageously and efficiently facilitate Conklin's system and method in implementing of transactions both domestic and international which require legal and tax counsel/guidance in following the international procedures/rules/regulations and also in translating documents from one language to another language.

Regarding claims 8 and 11, their limitations are closely parallel to the limitations of claims 4 and 7 and are therefore analyzed and rejected on the same basis as being unpatentable over Conklin in view of Horn and further in view of Lee.

### ***Conclusion***

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.


US PG-Publication 2001/0037230 A1 to Raveis, JR. et al. (see at least paragraph 0027), US PG-Publication 2002/0138360 A1 to Inoue et al. (see at least

paragraph 0003) and US PG-Publication 2002/0078016 A1 to Lium et al. (see at least paragraph 0085) disclose offering a package of professional services in a web-based system and method and brokering these services to the users of the system and method.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C. Garg whose telephone number is 571-272-6756. The examiner can normally be reached on Increased Flex.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on 571-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

  
Yogesh C Garg  
Primary Examiner  
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buyer is in the US and the seller is in Malaysia, this might cost thousands of dollars in airfares and travel expenses, just to get samples. Most existing products and services do not help with these tasks. As noted above, samples of newly engineered component parts may be critical for the buyer company's completion of its product. New systems being built by a computer maker may need power supplies or heat dissipation systems that are also new and unproven. The engineers developing the new computer systems need to be able to test their prototypes with sample, new component parts to know the whole system will work. None of the existing methods of buying over the Internet address this kind of need. Most systems are not designed from the buyer's viewpoint.

One system does attempt to address a few things from a buyer's viewpoint. This is the Priceline.com system which is described in U.S. Pat. No. 5,794,207 Method and Apparatus for a Cryptographically Assisted commercial Network System Designed to Facilitate Buyer-driven Conditional Purchase Offers, issued Aug. 11, 1998, to Walker et al., assigned to Walker Asset Management Limited. This is essentially an online bidding process in which a buyer specifies the price it desires to pay for an object, such as an airplane reservation or a car. The bid is submitted over the Internet to a central site which analyzes a database of sellers of that type of item to find one or more selling the object at close to the bid price. These matches or near-matches are presented to the buyer, who can then select from them and place a conditional purchase offer. If the seller accepts, the sale is made. A buyer can initiate another round of bidding if there is no good result from the initial one. While this system has benefits for certain types of purchases, usually of completed, commodity items, it does not address the needs of production buyers outlined above. It does not provide iterative bargaining between the buyer and seller on all aspects of a multivariate transaction, nor does it connote much, if anything about the participating sellers. It is similar to other auction sites on the World Wide Web which allow you to submit bids to a seller or auctioneer, but do not provide the opportunity to bargain interactively with the seller on all the terms. A bid submission process is quite different from a price and terms negotiation process. Bid submission systems are usually designed to assist a seller in disposing of excess inventory. Hence, some malls and enterprise server applications provide limited electronic commerce, but none provide true multivariate negotiation ability.

807 (Finally, both the mall concept and the enterprise server concepts use databases for storing and indexing product and price lists and catalogs, along with final orders.

However, since very little is offered in the way of iterative bargaining, other than a simple order/confirmation process, little or nothing is known, and consequently stored about the negotiation process on a step by step basis. Again, any information that is collected is likely to be of interest primarily to the seller, not the buyer, since most of the systems in existence are focused on the seller.

It is an object of this invention to provide a system for iterative bargaining and purchasing over a network which enables buyers and sellers to negotiate prices, terms, and conditions iteratively until an agreement is reached on all points.

It is another object of this invention to provide an iterative bargaining and purchasing system that is economical to use.

Still another object of this invention is providing an iterative bargaining and purchasing system that enables the creation of knowledgeable communities of commerce.

Yet another object of this invention is providing a means for storing, archiving and accessing all transactions and documents as they are formed over the system.

## SUMMARY OF THE INVENTION

These and other objects are achieved by a multivariate negotiations engine for international transaction processing which: enables a sponsor to create and administer a community between participants such as buyers and sellers having similar interests; allows a buyer/participant to search and evaluate seller information, propose and negotiate orders and counteroffers that include all desired terms, request sample quantities, and track activity; allows a seller/participant to use remote authoring templates to create a complete Website for immediate integration and activation in the community, to evaluate proposed buyer orders and counteroffers, and to negotiate multiple variables such as prices, terms, conditions etc., iteratively with a buyer. The system provides secure databases, search engines, and other tools for use by the sponsor, which enable the sponsor to define the terms of community participation, establish standards, help promote the visibility of participating companies, monitor activity, collect fees, and promote successes. All this is done through a multivariate negotiations engine system operated at the system provider's Internet site, thus requiring no additional software at the sponsors', or participant sellers', or buyer's sites. This also allows buyers and sellers to use and negotiate payment options and methods that are accepted internationally. The system maintains internal databases that contain the history of all transactions in each community, so that sponsors, buyers and sellers may retrieve appropriate records to document each stage of interaction and negotiation. Documents are created by the system during the negotiation process.

It is an aspect of the present invention that it provides comprehensive iterative bargaining abilities for both buyers and sellers that enable them to negotiate all the terms and conditions of a transaction—not just the price.

It is another aspect of the present invention that, in a preferred embodiment, the negotiations engine uses software that is installed at the commerce system provider's site, thus eliminating the need for installation of any application server hardware, application server software, database server hardware or database server software at the buyer's, the seller's, or the sponsor's site.

Still another aspect of the present invention is that, in a preferred embodiment, all demographic, payment and negotiation information is transmitted using secure sockets over an open architecture network such as the Internet's Terminal Control Protocol-Internet Protocol (TCP-IP) network, thus eliminating the need for more expensive private leased lines or proprietary networks for the iterative bargaining between buyers and sellers amongst themselves or for communications with the sponsor.

Yet another aspect of the present invention is that the data collected about all transactions is kept in databases in a secure location inside an internet protocol (IP) firewall at the commerce provider's site, thus eliminating the need for additional, expensive database server hardware and database server software and firewall hardware and software at buyer and seller and sponsor sites.

Still another aspect of the present invention is that the costs for buyers, sellers and sponsors are greatly reduced by orders of magnitude over existing systems which cost much more and offer much less functionality.

Yet another aspect of the present invention is that complete histories of each stage of the negotiation processes are available for tracking and analysis which promotes non-repudiation of negotiated terms.

Still another aspect of the present invention is that it provides handling for international transaction and payment processing online.